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Industrial Development Board

Resumed eighth session

SUMMARY RECORD OF THE 11th MEETING

Held at the Vienna International Centre, Vienna,
on Friday, 23 August 1991, at 7 p.m.

President: Mr. TOFIGH (Islamic Republic of Iran)

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The meeting was called to order at 7.25 p.m.

OPENING OF THE RESUMED EIGHTH SESSION

1. The PRESIDENT declared open the resumed eighth session of the Industrial Development Board.

2. Mr. SIAZON (Director-General), speaking on the two items on the agenda of the resumed session, began by commending the spirit of commitment that had prevailed at the tenth meeting of the Conference of African Ministers of Industry at Dakar. Forty-seven of the 51 countries in the region had submitted national programmes, an impressive display of solidarity and commitment, and the result had been the adoption of the Dakar Declaration on Industrialization and Economic Integration in Africa.

3. The region's enormous potential and wealth of human and natural resources were incomparable assets in a struggle for development in which industry was a vital component. An appropriate framework for ensuring the effective contribution of industry to the future well-being of the region was the programme for the Second Industrial Development Decade for Africa (IDDA) which the Ministers had urged the General Conference of UNIDO to endorse.

4. Turning to agenda item 11 (e), the second item before the resumed session, he stressed the urgent need for the adoption of the budget. He also wished to report that the Project Liaison Committee had finally reached consensus on the computerization programme. Along with other changes introduced into the revised budget in accordance with the views expressed by Member States, he hoped that that would enable the Board to recommend to the General Conference approval of the programme and budget for the biennium 1992-1993.

5. He wished further to stress that the budget should be treated as an inseparable whole, and that the contribution of Australia should be used to support the substantive activities and programmes of UNIDO.

6. By adopting the programme and budgets without further delay, the Board could revitalize UNIDO and restore the morale of its staff. It could thus help to enhance the effectiveness of the Organization in improving the lives of people in developing countries through industrialization.

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RENEWAL OF MEMBERSHIP OF AUSTRALIA

7. The PRESIDENT drew the Board's attention to the letter of the Acting Permanent Representative of Australia to the United Nations, Vienna, dated 21 August 1991, reproduced in document IDB.8/51, annex I. In view of the information contained therein, and as the matter was of direct concern to the items to be considered, he proposed to the Board that it should accept the participation of the Acting Permanent Representative of Australia in the present meeting and permit her to make a statement.

8. It was so decided.

9. Mrs. SCHICK (Acting Permanent Representative of Australia to the United Nations) said that her Government, subject to Australia's constitutional requirements, intended to resume its membership of UNIDO from 1 January 1992. Accordingly, her country's assessed contribution would be deposited with UNIDO in a timely manner. The decision to resume membership had been taken with due regard to Australia's multilateral commitments, and reflected changes which had taken place in UNIDO over the past four years.

10. As the major international forum for issues related to industrial development, UNIDO was a unique link between developed and developing countries for the promotion of industrial cooperation. Australia looked forward to working closely with the Member States of UNIDO and contributing its particular regional and development experience to promoting industrial development.

SECOND INDUSTRIAL DEVELOPMENT DECADE FOR AFRICA (continued) (IDB.8/1/Add.2, IDB.8/23/Add.1)

11. The PRESIDENT recalled that, at its July session, the Board had had before it a report by the Director-General (IDB.8/23) on the progress made in implementing General Conference resolution GC.3/Res.10 and Board decision IDB.7/Dec.16, both of which concerned the Second Industrial Development Decade for Africa. He drew the attention of the Board to an addendum to that report (IDB.8/23/Add.1) which provided information on results of the tenth meeting of the Conference of African Ministers of Industry that were relevant to the work of UNIDO.

12. He said that he would give the floor to Mr. Alassane Ndiaye, Minister of Industry, Commerce and Handicraft of Senegal and Chairman of the tenth meeting of the Conference of African Ministers of Industry, to introduce the meeting's recommendations.

13. Mr. NDIAYE (Senegal) said that the Conference of African Ministers of Industry, at its tenth meeting, had adopted the programme for the Second Industrial Development Decade for Africa. The programme of the Second Decade was described in document IDB.8/23/Add.1; that document required some minor clarifications which his delegation would forward to the Secretariat.

14. The Conference had noted with satisfaction that the national programmes had been prepared by the African countries themselves, taking account of their own resources. It had also recognized the responsibility of the African States for ensuring the successful implementation of the programme, and a decision had been taken to set up a working group comprising 10 members representing the various subregions of Africa.

15. The Conference of African Ministers of Industry had stressed the importance of the private sector in industrialization. The participation of that sector in national, regional and subregional programmes should be encouraged in order to take into account the constraints of structural adjustment.

16. The Dakar Declaration on Industrialization and Economic Integration in Africa adopted by the Conference expressed the political will of African countries to ensure the success of the programme for the Second Industrial Development Decade for Africa, a programme conceived by African countries for African countries. In that connection, the Conference had also appealed to the international community to increase significantly its contribution to industrialization in Africa.

17. With regard to the restructuring of UNIDO, the Conference of African Ministers of Industry took the view that, whatever the structure agreed upon, Africa should be represented in UNIDO at the highest level. The Conference favoured a structure that included at least three deputy directors-general, one of whom should be African. Given the disturbing state of African industry, greater attention must be paid to it than had been the case in the past. The restructuring of UNIDO should not result in the marginalization of Africa in the operations and programmes of the Organization.

18. UNIDO could make an important contribution to implementing the regional and subregional programmes of the Second Industrial Development Decade for Africa. He urged the Board to adopt the programme and budget for 1992-1993 without delay, because Africa in particular would suffer if there was a lack of continuity in UNIDO's operations.

19. On behalf of Senegal, he said that his Government associated itself wholeheartedly with the positions expressed by the tenth meeting of the Conference of African Ministers of Industry.

20. Mr. KRAMER (Netherlands), speaking on behalf of the 12 member States of the European Community, said that Africa, despite its potential, remained as poor as it had been 30 years earlier. Structural changes had recently taken place in the world, and developments in southern Africa might provide a better basis for development.

21. Long-term policies were needed to solve long-term problems. Necessary preconditions included not only a market economy, but also participatory government, accountability, democracy and institutional pluralism. Investment in people was essential for sustainable and equitable growth. The Second Industrial Development Decade for Africa must provide opportunities for a better and more rationalized effort.

22. A new approach to development in sub-Saharan Africa had been extensively discussed at the Maastricht Africa Conference, soon to be followed up at Kampala. Guidelines for reversing the economic and social decline in the least developed countries especially in Africa had been approved by the second United Nations Conference on the Least Developed Countries in Paris.

23. Africa must remain a priority for UNIDO's work. The first Industrial Development Decade for Africa had been disappointing both within UNIDO and in the wider United Nations system. He

welcomed the restructuring of the Co-ordination Unit, but stressed the need for specific technical cooperation in the field and the building up of local capacity for self-sustaining development. Coordination with other bodies involved in Decade activities was essential, but meetings and discussions must not be at the expense of concrete action.

24. Mr. GUO Bianzhi (China) said that his Government's contribution to the Industrial Development Decade for Africa was well known. He fully supported the programme of the Second Industrial Development Decade for Africa.

25. Mr. BAKSHI (India) associated himself with the previous speakers. His country had long had relations with Africa and had participated in many bilateral economic programmes with the African countries. He fully supported the Second Industrial Development Decade for Africa.

26. Mrs. TALLAWY (Egypt) said the Second Industrial Development Decade for Africa was particularly important for the reasons expressed by the Chairman of the tenth meeting of the Conference of African Ministers of Industry. Africa contained the greatest number of countries in the least developed category, and needed industrial support and assistance. She commended those countries which had already assisted Africa through UNIDO, and hoped that such support would be strengthened.

27. She urged the Secretariat to ensure that administrative costs of the Industrial Development Decade for Africa were kept to a minimum in order to make maximum use of resources for substantive activities.

28. Mr. GUTIERREZ LEYION (Chile) said his Government had noted with interest the information given on the tenth meeting of the Conference of African Ministers of Industry. His Government was committed to furthering interregional solidarity, especially among third world countries. Speaking as Chairman of the Group of 77, he said that the Group was particularly sensitive to the serious problems of development in Africa. He expressed full support for the Second Industrial Development Decade for Africa.

29. Mr. CONSTENLA (Costa Rica) said he welcomed the participation of UNIDO in the Second Industrial Development Decade for Africa. His desire was for an industrialization programme in Africa which preserved the environment, provided work for its people and took account of their capacities.

30. Mr. SPROW (United States of America) agreed that the industrial development of Africa should remain a top priority of UNIDO and offered overall support for the Second IDDA. He agreed with many of the points raised by the Minister of Industry of Senegal in his statement and with some of the points in the Board documents: an increased emphasis on the private sector, greater African economic integration and more reliance on Africans to implement and follow up projects. He could not, however, support all the elements contained in the documents before the Board. Moreover, the basic document (IDB.8/23/Add.1) and other relevant texts had been received only very recently and the United States had not had adequate time to review them. Other documents were not yet available. Nor was there sufficient time during the current meeting to discuss the Second IDDA meaningfully. His delegation suggested that some mechanism should be set up to permit a further discussion and exchange of views on IDDA before the General Conference.

31. The PRESIDENT said that the subject of Africa could be discussed further during the contact group meetings scheduled for October to prepare for the General Conference.

32. Mr. TIMERBAEV (Union of Soviet Socialist Republics) said his Government had always attached great importance to the Industrial Development Decade for Africa. Conscious of its significance within the programmes of UNIDO, his Government had in the past made a major contribution based on communist principles. His Government now hoped to provide real and practical help to the countries of Africa based on the principles of the market.

33. He noted with appreciation the results of the Conference of African Ministers of Industry, which confirmed the significance of UNIDO for the countries of Africa. In that light it was particularly vital to solve the organizational and financial problems which distracted attention from substantive matters. He wished to reaffirm his Government's fullest support for the programme for the Decade.

34. Mrs. KINALWA (Uganda) said she fully supported the recommendations concerning the Second Industrial Development Decade for Africa, which benefited from the lessons of the past. The Decade programme should be a top priority for UNIDO, particularly in relation to the least developed countries. She called upon the Organization to allocate sufficient resources and appealed to the international community and financial institutions for support. She expressed her gratitude to the Economic Commission for Africa (ECA), the Organization of African Unity (OAU) and UNIDO for their support for the Second Industrial Development Decade for Africa. Her delegation supported the draft decision on the Second Industrial Development Decade for Africa the text of which had been circulated informally.

35. Mr. AHMEDI (Islamic Republic of Iran) said that his delegation supported any decision that would help Africa and appealed to all countries to contribute to industrial development activities in Africa.

36. Mr. SIAZON (Director-General) said in reply to comments made that the development of Africa was a top priority for UNIDO and for him personally. It was true that paragraph 92 of document IDB.8/8/Rev.2 showed negative growth for the regular programme of technical cooperation - IDDA. Whenever there was negative real growth in the regular budget of UNIDO, the 6 per cent for the regular programme of technical cooperation also decreased. However, although, on page 210 of document IDB.8/8/Rev.1, the figure for the regular programme of technical cooperation was the same for 1992-1993 as for 1990-1991, he wished to make it clear that the 1992-1993 figure was shown at 1991 rates, and that, when the rates were adjusted, especially with the inclusion of Australia, the amount would be about $10,801,500. He would also stress that, since so many of the least developed countries were in Africa, and since the regular programme of technical assistance was mainly used for IDDA and the least developed countries, an increase in that programme would mainly benefit Africa.

37. Mrs. IALLAWY (Egypt) said that she hoped that activities in connection with the Second Industrial Development Decade for Africa would be concentrated on concrete action.

38. The PRESIDENT invited the Board to consider the draft decision entitled "Second Industrial Development Decade for Africa" that had been circulated to delegations as an informal paper.

39. The draft decision was adopted.*

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE (continued):

(e) PROGRAMME AND BUDGETS, 1992-1993 (continued) (IDB.8/8/Rev.1 and Rev.2, IDB.8/50 and Add.1 and 2, IDB.8/51; IDB.8/L.43; PBC.7/CRP.13/Add.2, PBC.7/CRP.15, PBC.7/CRP.16)

40. The PRESIDENT recalled that, under paragraphs 1 and 3 of Article 14 of the Constitution, the Director-General was to prepare and submit to the Board through the Programme and Budget Committee a draft programme of work for the following fiscal period, together with the corresponding estimates for those activities to be financed from the regular budget. The Board was to examine the Director-General's proposals together with any recommendations of the Committee and adopt the programme of work, the regular budget and the operational budget, with any changes it felt necessary, for submission to the General Conference. In addition to the documents prepared by the Secretariat in compliance with Board decisions IDB.8/Dec.22 and IDB.8/Dec.35, the Board had before it for consideration two draft decisions recommended by the Programme and Budget Committee at its resumed session just held, as reflected in document IDB.8/L.43 and in annex II to document IDB.8/51.

41. Mr. BAKSHI (India) said he would like to congratulate the Director-General on the yearly increase in technical cooperation delivery. He had been concerned, however, that the estimates shown in table 1 (c) of document IDB.8/8/Rev.1 seemed to be on the high side for 1992-1993. More details were also needed regarding resource distribution by medium-term plan priority areas, with disaggregation as between the regular and operational budgets as well as objects of expenditure. Those concerns were not fully answered in document IDB.8/8/Rev.2. Comparisons with the previous biennium would also have been desirable; such figures could, if necessary, be presented in a separate document.

42. He was happy to note an increase in resources for industrial cooperation and funds mobilization but regretted the reduction in the budget for the System of Consultations.

43. There had been a marginal increase for the Special Programme for the Industrial Development of Asia and the Pacific, but the emphasis was on the least developed countries. It was necessary to think of increasing funding from the regular budget for countries other than the least developed countries in areas emphasized by the General Conference at its third session. He noted that in document IDB.8/8/Rev.2 the figures for regional programmes and economic cooperation among developing countries had been increased, mostly in the operational budget. India was known to be one of the larger contributors to the Industrial Development Fund and was certainly one of the largest contributors to its general-purpose component.

44. He welcomed UNIDO's achievements in the field of new technology. A whole series of programmes required special attention, in his delegation's view, and a beginning should be made with focusing on important mandatory tasks of UNIDO, which would require efficiency at all levels and constant interaction with Member States.

45. He urged that the Board fully accept the recommendations that the Programme and Budget Committee had drafted, after a thorough discussion, taking into account the views of various geographical groups.

46. Mr. GUTIERREZ LEYTON (Chile) said he hoped that a lengthy process that had diverted attention from the real purpose of UNIDO was coming to an end. He welcomed the exchange of views that had taken place in the Programme and Budget Committee, and his delegation had cooperated in seeking a consensus. Though he hoped there would be no vote on the question, his delegation was prepared to vote, if necessary.

47. In a positive spirit, he drew attention to certain concerns of his delegation with regard to the electronic data-processing (EDP) project. The necessary information had not been provided in good time and there had been many last-minute changes. His delegation doubted whether the principle of zero growth had been duly guaranteed and he noted that there were still some unclear points regarding legal aspects in connection with the validity of the contract and regarding which portion of the contract was being negotiated and on what basis. He would also like to know what funds had been earmarked, and how much was to be paid and over what periods.

48. Mr. GUO Xianzhi (China) said that he had been gratified to see the spirit of cooperation and consensus shown in the Programme and Budget Committee, which had arrived at a conclusion after long debate. He hoped that the draft decision recommended by the Programme and Budget Committee (IDB.8/L.43) would be adopted by the Board in the same spirit.

49. Mr. ANGUIANO ROCH (Mexico) regretted that he could not support the text of the draft decision. However, he could join a consensus if a decision on the separation of costs of the EDP project were postponed to the General Conference. He had doubts regarding the cogency of the explanations and clarifications given by the Director-General and the Deputy Director-General for Administration concerning separation of the budget items and the presentation of a supplementary budget. If his country were to agree to the budget as recommended by the Programme and Budget Committee, it would give validity to a series of anomalies for which the Director-General was responsible. He did not understand why the Member States should pay for such a mistake. His delegation had the highest esteem for the UNIDO staff but, wishing to enhance UNIDO, it could not accept a procedure that would create a serious precedent.

* For the text adopted, see the report of the resumed session.

50. Mrs. TALLAWY (Egypt) welcomed the return of Australia to UNIDO.

51. Her delegation was in favour of adopting a budget for UNIDO, on certain premises. It was important not to decrease appropriations for projects, and clarity and transparency in the budget preparation should be enhanced, as her delegation had requested since 1987, without effect. Her delegation had opposed the holding of the resumed Board session on 23 August because that date allowed very little room for manoeuvre and for negotiations between the Secretariat and delegations, and the Secretariat and the supplier company. Documents had been provided so late that the capitals had not been able to peruse them.

52. It was important to distinguish between two sets of items in the budget, those relating to the computer project and those relating to other matters. In the case of the First Industrial Development Decade for Africa, the budget had been used to pay staff expenses and she feared that the budget for the Second Industrial Development Decade for Africa would be used to buy the IBM computer. The Secretariat had often ignored decisions of the Board and she did not recall any authorization by the Board for the expenditure of $20 million on the computer.

53. She would therefore put forward three alternative proposals for amending the text of the draft decision (IDB.8/L.43). Her first proposal would be for the second part of paragraph (e), beginning with the words "and takes note of", to be deleted, so that there would be no reference to the biennium 1994-1995 in paragraph (e). The second alternative proposal would be to keep the present text of paragraph (e) and add wording at the end indicating that the figure of $13,805,200 for 1994-1995 should come from voluntary contributions. The third alternative would be to retain paragraph (e) as it stood but to place it within square brackets with a footnote explaining that the matter was subject to further negotiation prior to the General Conference.

54. Mr. PAREJA CUCALON (Observer for Ecuador) said that his delegation had for some time shared the concerns expressed by the Latin American Group and continued to share them. However, what was now needed, taking into account the corrections that had been requested of the Secretariat and the comments made, was to give full assistance to the Organization so that it could work efficiently in accordance with the Constitution. He appealed to the Board to adopt the budget.

55. Mr. KOSTENKO (Ukrainian Soviet Socialist Republic) noted that a great amount of work had been done by the Secretariat and by Member States in recent days in an effort to find a way out of a very difficult situation. He supported the appeal for the adoption of the draft decision by consensus, notwithstanding the divergent views and the substantive reservations expressed.

56. Mr. VETTOVAGLIA (Switzerland) thought that further discussion would not be fruitful. He proposed that the President should first ask the Board whether it was or was not in a position to adopt the text in document IDB.8/L.43.

57. The PRESIDENT said that several speakers were still on his list; he suggested that their views should be heard first.

58. Mr. ANGUIANO ROCH (Mexico) suggested that the draft decision should be adopted with the changes proposed by Egypt, by acclamation.

59. Mr. BELLO (Philippines) said that, in the light of the information in the documents before the Board, it would be unfair to lay the entire blame for the difficulty related to the computer installation on the Director-General. He hoped that the text in document IDB.8/L.43 would be adopted by consensus; if that was not possible, the course proposed by the representative of Switzerland should be followed.

60. Mr. DJATMIKO (Indonesia) said that he supported the draft decision recommended by the Programme and Budget Committee and hoped that it would be adopted by consensus. He also supported all programmes for the Second IDDA, which should have top priority in UNIDO's activities. He welcomed the return of Australia to UNIDO.

61. Mr. PAREDES PORTELLA (Peru) welcomed the return of Australia to UNIDO. His delegation could join in a consensus on the adoption of the draft decision. The Secretariat should give clarifications where required and take corrective action in accordance with the guidelines for the financing and utilization of the EDP installation.

62. In reply to a question from the PRESIDENT, Mr. ANGUIANO ROCH (Mexico) said that he could accept any of the three alternative amendments proposed by the representative of Egypt.

63. The PRESIDENT asked whether there was any objection to the first of the three alternative proposals put forward by the representative of Egypt.

64. Some members indicated disagreement with the proposal.

65. The PRESIDENT asked if there was any objection to the second of the alternative proposals put forward by the representative of Egypt.

66. Some members indicated disagreement with the proposal.

67. The PRESIDENT asked whether there was any objection to the third of the alternative proposals put forward by the representative of Egypt.

68. Some members indicated disagreement with the proposal.

69. In reply to a question from the PRESIDENT, Mrs. TALLAWY (Egypt) said that she regretted that she could not go along with a consensus on document IDB.8/L.43 as it stood. She requested a roll-call vote on her second proposal.

70. Mr. PELEN (France) said he thought that the third alternative proposed by Egypt really corresponded to what would in fact happen, since discussions on the matter could and would continue up to and during the General Conference session. In that light, perhaps the representative of Egypt could accept the existing text.

71. Mr. GUTIERREZ LEYTON (Chile) expressed the hope that members would bear in mind that if they rejected all the alternative proposals put forward by the representative of Egypt they would be forcing a vote.

72. Mr. ANGUIANO ROCH (Mexico) thought that the point made by the representative of France could equally be used as an argument in favour of the third Egyptian proposal, since delegations that could accept the present text should equally be able to accept the latter proposal.

73. Mr. IALIANI (Italy) supported the position taken by the representative of France and thought that the position of those wishing to place paragraph (e) in square brackets could better be taken care of by a statement of their views in the Board's report.

74. Mrs. IALLAWY (Egypt) said that it was unreasonable to ask the developing countries to agree in effect to the expenditure of a further $13,805,200 on the EDP programme in the biennium 1994-1995. She wished again to request a roll-call vote on her second proposal.

75. In reply to a question on procedure raised by Mr. PELEN (France), the PRESIDENT said that amendments to a proposed text must be put to the vote before the text itself.

76. Viscount VILAIN (Belgium) thought that if consensus was to be reached on one of the three Egyptian proposals, the first proposal seemed to offer the best chance.

77. Mr. ARIAS SALGADO (Spain) suggested that the meeting should be suspended to allow a consensus formula to be found.

78. Mr. GUO Xiangzhi (China) suggested that, after the words "at its fourth session," paragraph (e) should be amended to read "also on the understanding that the figure of $26,128,000 in 1991 dollars is the maximum and that no further funding will be made available for this programme".

79. Mr. GUTIERREZ LEYTON (Chile) moved the suspension of the meeting under rule 41 of the rules of procedure.

The meeting was suspended at 9.35 p.m. and resumed at 10 p.m.

80. Viscount VILAIN (Belgium) proposed an amendment to the text of paragraph (e) of draft decision IDB.8/L.43 replacing the second part, following the words "at its fourth session," by the words "including the proposed maximum figure and appropriate source of financing of the EDP programme for the 1994-1995 biennium".

81. Mr. SPROW (United States of America) requested clarification of the maximum figure to which the amendment referred.

82. Viscount VILAIN (Belgium) said that the maximum figure was the amount of $13,805,200 in 1991 dollars for the 1994-1995 biennium contained in the draft decision proposed by the Programme and Budget Committee. The amount could be explicitly included.

83. Mr. PELEN (France) thought that it should be made clear that the Board was proposing consideration by the General Conference of the amount for 1994-1995 rather than accepting it.

84. Mr. TSCHOULKOV (Union of Soviet Socialist Republics) wondered how, in the proposed amendment, the proposed maximum and the appropriate source of financing related to the first part of paragraph (e).

85. Mr. IALIANI (Italy) said he preferred the existing text of document IDB.8/L.43, but could accept the amendment proposed by the representative of Belgium. The reference to appropriate sources of financing left the question open for discussion by those delegations (not his own) which were in favour of seeking alternatives to the regular budget.

86. Viscount VILAIN (Belgium) said that the purpose of the reference to appropriate sources of financing was indeed to allow some delegations, notably that of Egypt, to raise the question of alternative sources of financing at the General Conference. It was quite proper for the General Conference, at its coming session, to consider and express its wishes in respect of the 1994-1995 biennium.

87. Mr. ARIAS SALGADO (Spain) said that the amendment proposed by the representative of Belgium had the merit of maintaining the substance of the original text while adding the option of considering appropriate sources of financing. It therefore offered the basis for a consensus.

88. Mrs. IALLAWY (Egypt) said that the rules of procedure had not been followed in the treatment of the amendments proposed by her.

89. She suggested that the amendment proposed by the representative of Belgium should be further amended to make it clear that the Board accepted only the proposed expenditure for the 1992-1993 biennium on the stated understandings. That could be achieved by placing a full stop after "at its fourth session". That would be followed by a new sentence beginning: "This consideration will include the proposed maximum figure ...".

90. Mr. PAREDES PORTELLA (Peru) suggested that the intention of the paragraph could be clarified by placing the words "in all its aspects" after the words "at its fourth session".

91. Mr. PELEN (France) said it was important to retain the provision in paragraph (e) that no further funding would be made available for the EDP programme.

92. Mr. CLARK (United Kingdom) felt that the proposed amendments affected the balance achieved in the Programme and Budget Committee. He therefore preferred the existing text.

93. Mrs. IALLAWY (Egypt) said that acceptance of the existing paragraph (e) implied acceptance of the total expenditure, even though it was nominally a ceiling. She would have preferred to have left such a decision to the General Conference, thus strengthening the hand of the Secretariat in negotiating further cost reductions with suppliers in the meantime.

94. Mr. PELEN (France) proposed that paragraph (e) of the draft decision recommended by the Programme and Budget Committee (IDB.8/L.43) should be amended to read as follows:

"Accepts the proposed expenditure on the EDP programme for the 1992-1993 biennium of $12,322,800 in 1991 dollars as indicated in document IDB.8/50/Add.1 on the understanding that it will be considered by the General Conference at its fourth session in all its aspects. This consideration will include the proposed maximum figure for expenditure for the EDP programme for the 1994-1995 biennium

of $13,805,200 in 1991 dollars as indicated in document IDB.8/50/Add.1 and appropriate sources of financing, with no further funding being made available for this programme."

95. The amendment proposed by the representative of France was adopted.

96. Mr. VETTOVAGLIA (Switzerland) and Mr. PELEN (France) said that certain drafting changes should be made in the French version of draft decision IDB.8/L.43 to bring it in line with the English version.

97. Draft decision IDB.8/L.43, as amended, was adopted.

98. Mr. RIOBO PIÑONEZ (Chile) said that he wished to make an explanatory statement of position under rule 53, paragraph 3, of the rules of procedure. His country wished to enter an express reservation concerning the decision just adopted, to the effect that any commitments and obligations which had been contracted without authorization or went beyond the provisions of the Constitution and/or the Financial Rules of UNIDO did not bind Chile financially or in any other way.

99. Mr. ASHRI (Saudi Arabia) said that he noted the increased assessed contribution for his country for the biennium 1992-1993. He wished to enter a reservation concerning that increase, since his delegation had on many occasions indicated that it would not accept an increase in its assessed contribution to the regular budget. The competent authorities in his country would be giving serious consideration to the matter.

100. Mr. FARAHAT (Egypt) said that his delegation had adopted the most flexible position possible in order to enable the Board to reach agreement. However, his delegation's reservations on the EDP programme, which had been stated very clearly, still stood. The size of the EDP programme needed to be discussed fully at the General Conference.

101. The PRESIDENT said he would now invite the Board to consider the draft decision recommended by the Programme and Budget Committee concerning the changes to the programme and budgets, 1992-1993, which would result from the renewal by Australia of its membership of UNIDO. That draft decision was contained in document IDB.8/51, annex II.

102. The draft decision in document IDB.8/51, annex II, was adopted.

REPORT OF THE RESUMED EIGHTH SESSION

103. The PRESIDENT proposed that the report of the resumed eighth session of the Board should be prepared by the Rapporteur, in consultation with the Friends of the Rapporteur, for submission to the General Conference as an addendum to the report of the eighth session of the Board contained in document GC.4/4.

104. It was so decided.

CLOSURE OF THE SESSION

105. The PRESIDENT declared closed the resumed eighth session of the Board.

The meeting rose at 10.45 p.m.